

Estimated Fiscal Impact of Bill # HB 246 Date 1/27/10Short Title Retirement Benefits for Charter School EmployeesContact Von HortinTitle Audit/Finance SpecialistAgency: State Office of EducationPhone 801-538-7670**Short Form**

Use only when there is no appropriation needed for state agencies, and no fiscal impact on state revenues, local governments, businesses, or individuals.

If the bill looks like it should have a fiscal note, explain why it does not. For example, a bill might put into code something that is already current practice.

Attachments welcome.

- ☒ State agencies will not require an appropriation to implement the bill.
☐ There is no fiscal impact on local governments.
☒ There is no fiscal impact on businesses
☐ There is no fiscal impact on individuals.
☒ The bill will not affect revenues.

Explain why this bill has no fiscal impact.

A. What parts of the bill cause fiscal impact?

Cite specific sections or line numbers.

Having charter schools verify employment and other information will add costs to the charter schools. There is no way to estimate the cost.

B. Which program gets the appropriation?

(Appropriation Unit Code)

(To appropriate to an additional program use an additional form.) This is ____ of ____.

C. Work Notes: Assumptions, calculations & what are we buying?

Assume that a legislator calls you in to explain how you came up with your fiscal impact and these are the only notes you get to take with you.

List all costs. Identify one-time and ongoing costs. Detail FTE impacts.

Do not say, "\$50,000 in Current Expense." Be very specific about what \$50,000 will buy.

Attachments encouraged.

Most employers decide to participate or not to participate in the retirement system, and this would force non-participating employers to verify information to the URS when they aren't prepared to either report in the format URS requires of employers. Also, there would be no factual method to verify if the employee had forfeited any interest in other retirement vehicles.

Since the URS already allows catch -up or other payments from individuals, this will not add any additional worklod to the URS.

Allowing individuals this option appears that it may set up opportunities for discrimination to benefit some employees.

Fiscal Impact Tables

Current Budget Year
FY 2010

Coming Budget Year
FY 2011

Future Budget Year
FY 2012

D. If this is a revenue bill, show impacts here. (Select funds from drop-down menu.)

Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

E. Show Costs to Implement the Bill by Fund (Select funds from drop-down menu.)

Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

F. Show Costs to Implement the Bill by Expense Category.

Personal Services			
Travel			
Current Expense			
DP Current Expense			
DP Capital Outlay			
Capital Outlay			
Other/Pass Thru			
Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

G. How will the bill impact local governments?

Your estimate of the bill's impact
on local governments.

Attachments welcome.

Charter schools would have additional reporting requirements added with no additional funding.

H. How will the bill impact businesses?

Your estimate of the bill's impact
on businesses.

Attachments welcome.

Some 401K administrators would have additional rollovers to the URS.

I. How will the bill impact individuals?

Your estimate of the bill's impact
on individuals.

Attachments welcome.

There would be an additional option for charter school employees to use to fund their own retirement.

This is a draft fiscal note response from the Utah State Office of Education (USOE) and may be revised in the future.
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